

SOUTH DAKOTA BANKING COMMISSION

Minutes of the regular meeting of Thursday May 13, 2021

The South Dakota Banking Commission held a regular meeting virtually.

The meeting was called to order at 1:31 PM CT.

- In attendance: Chairman Jeff Erickson; Commissioners; Richard Westra, Steve Hayes, John Johnson, Doug Balvin; DLR Secretary, Marcia Hultman; Director of Banking, Bret Afdahl; Deputy Director, Mike Dummer; Commission Legal Counsel, Mathew Bock; Regional Manager of FDIC, Rich Cofer; South Dakota Bankers Association President, Karl Adam; Senior Bank Examiner, Brady Schlechter; Banking Intern Kaleb Kunkel; and Keloland News Reporter, Bob Mercer.

Agenda Items:

1. Welcome and Introductions
2. Approval of meeting minutes from December 2020, meeting
3. Disclosure of Conflicts of Interest
4. Division Update & Industry Overview
5. Economic Presentation – Rich Cofer, Regional Manager, Division of Insurance and Research, FDIC
6. Commission Round Table
7. Hemp Guidance
8. 2021 Legislative Session Recap
9. Industry Comments
10. Public Comments
11. Executive Session
12. Next Meeting – July 8, 2021 Rules Hearing
13. Adjournment

AGENDA ITEM #1 WELCOME AND INTRODUCTIONS

- Director Afdahl introduced those in attendance.

AGENDA ITEM #2 Approval of meeting minutes from December 2020 Meeting

- Chairman Erickson entertained a motion to approve the minutes from the December 17, 2020 meeting.
- **Motion:** by, Westra, 2nd by Johnson to approve the meeting minutes.
- Approved by the following
- **ACTION AYE 5-0** (Erickson, Westra, Hayes, Johnson, and Balvin)

AGENDA ITEM #3 Disclosure of Conflicts of Interest

- Commissioners had no conflicts with any item on the agenda to disclose.

AGENDA ITEM #4 Division Update & Industry Overview

- Deputy Director Dummer gave an update on banking staffing and industry trends and Director Afdahl gave update on trust and licensing industry trends.
- Secretary Hultman provided an update on workforce dynamics in South Dakota currently.

AGENDA ITEM #5 Economic Presentation

- Mr. Cofer provided the Commission with briefing on labor market conditions, community bank conditions, agricultural trends, and a synopsis of a FDIC Quarterly article focused on agriculture.

AGENDA ITEM #6 Commission Round Table

- Commission members each provided an overview of banking, producer, and drought conditions across the state.

AGENDA ITEM #7 Hemp Guidance

- Director Afdahl provided an overview of the Industrial Hemp Guidance issued by the Division on February 9, 2021.

AGENDA ITEM #8 2021 Legislative Session Recap

- Director Afdahl provided a summary of legislative items the Division of Banking was involved in during the 2021 Legislative Session.

AGENDA ITEM #9 Industry Comments

- Karl Adam gave the Commission an overview of matters of interest to the South Dakota Bankers Association and a summary of the number and dollar amount of Paycheck Protection Program (PPP) loans originated by banks in South Dakota in 2020 and 2021.

AGENDA ITEM #10 Public Comments

- None

AGENDA ITEM #11 Executive Session

- Chairman Erickson entertained a motion to move into Executive session
- **Motion:** by Hayes, 2nd by Balvin to move into Executive session to discuss confidential supervisory matters.
- Approved by the following:
- **ACTION: 5-0 AYE** (Erickson, Westra, Hayes, Johnson, and Balvin)
- At 3:33 PM, the Commission went into Executive Session.
- **Motion:** by Westra, 2nd by Johnson to come out of Executive Session.
- Approved by the following vote:
- **ACTION AYE 5-0** (Erickson, Westra, Hayes, Johnson, and Balvin)
- At 3:50 PM, the Commission came out of Executive Session.

AGENDA ITEM #12 Next Meeting – July 8, 2021 Rules Hearing

- Brief discussion regarding the date and agenda item for the July 8, 2021 Rules Hearing.

AGENDA ITEM #13 ADJOURNMENT

- There being no further business, Chairman Erickson entertained a motion to adjourn.
- **Motion:** by Westra, 2nd by Johnson
- Approved by the following vote:
- **ACTION AYE 5-0** (Erickson, Westra, Hayes, Johnson, and Balvin)
- At the hour of 3:51 PM, the Banking Commission adjourned.

Respectfully submitted on this 14th
day of May 2021 by:

Approved on this ____ day of
July 2021 by:

Bret Afdahl
Executive Officer
South Dakota Banking Commission

Jeff Erickson
Chairman
South Dakota Banking Commission